

DISCOVER | THRIVE GLOBAL



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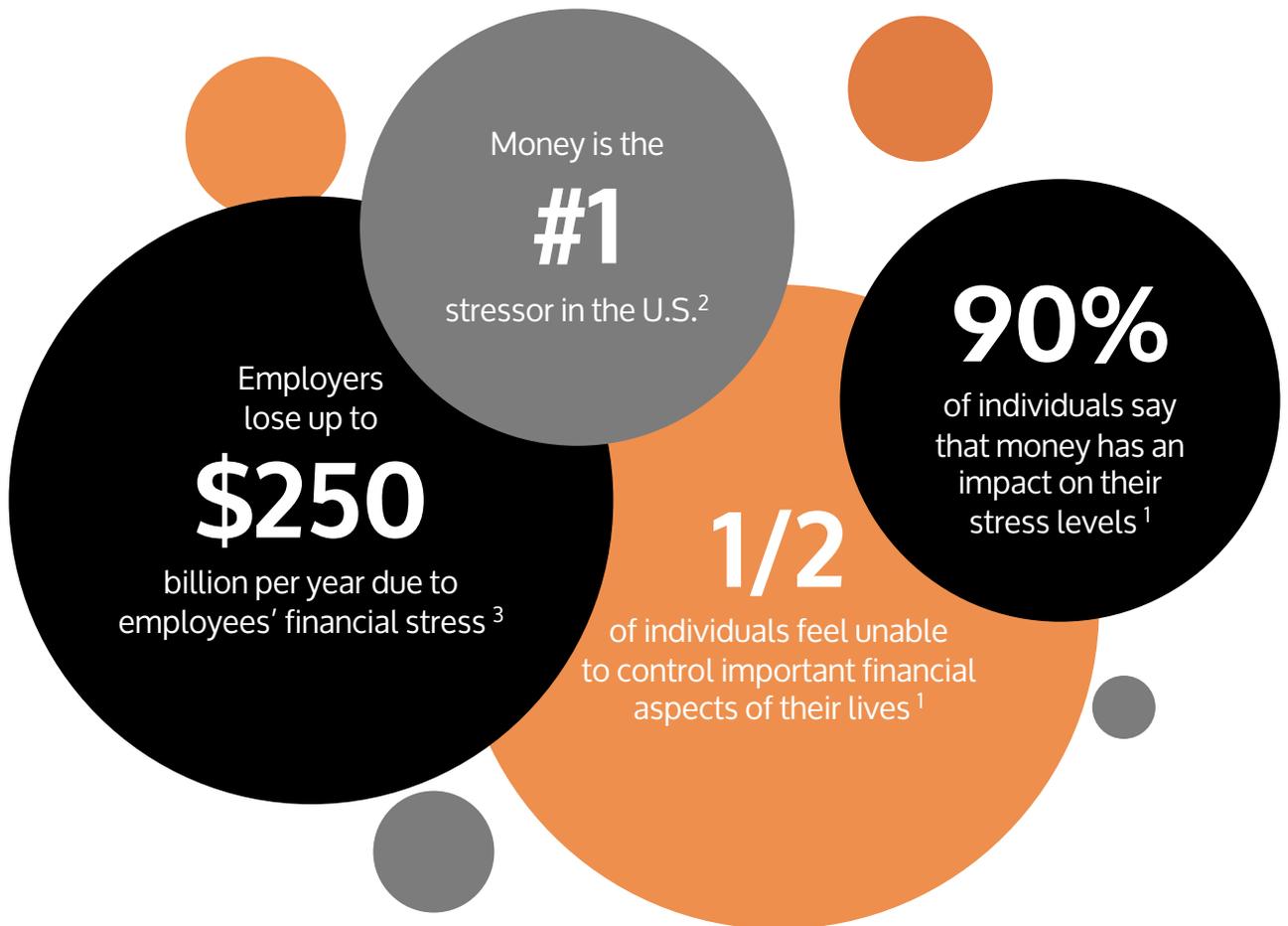
RESEARCH INSIGHTS REPORT / WHITE PAPER

A PARTNERSHIP WITH

DISCOVER®

Overview / Scope

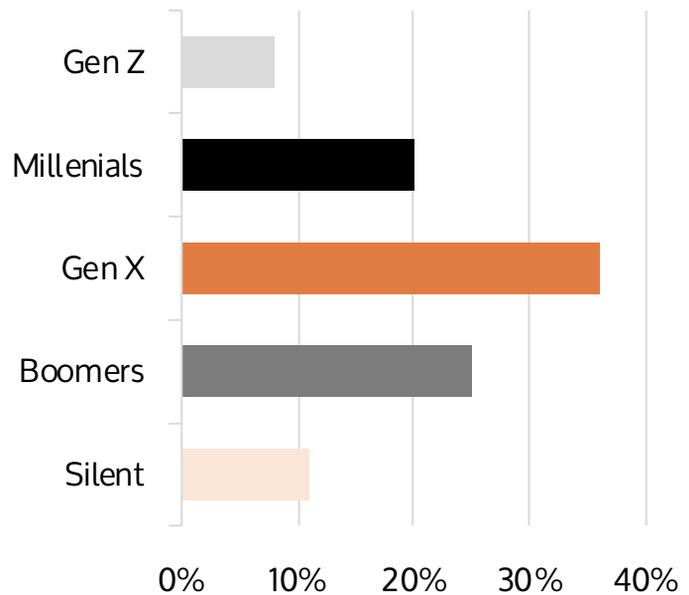
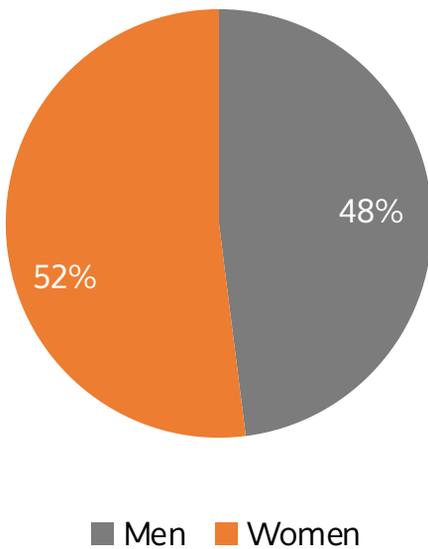
Financial wellness is a critical component of holistic well-being. Yet for most Americans, money remains a primary source of frustration, anxiety, and stress.



With that in mind, Discover® and Thrive Global launched this industry-first partnership aimed at identifying and alleviating today's top financial stressors.

Overview / Scope

As part of these efforts, Discover® and Thrive Global surveyed a nationally representative sample of more than 3,000 U.S. adults, spanning all Census Bureau regions, divisions, races, and ethnicities.



In the pages that follow, we present the resulting data and insights, highlighting key relationships between financial wellness and physical, emotional, social, and intellectual well-being.

In doing so, we hope to introduce a new lens through which we can view both finances and money—a framework that can ultimately educate and empower people toward a brighter financial future.

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Significance

Our relationship with money is one of the most important in our lives. For better or worse, it can impact our happiness, our self-worth, and what we value and prioritize.

Moreover, abundant research has now also linked financial wellness to both mental and physical health⁴. In fact, our research findings suggest that better financial well-being is significantly and positively related to better physical health, mood, satisfaction with work, household activities, social relationships, family relationships, leisure time activities, ability to function in daily life, economic status, living/housing situations, overall well-being, and far, far more

Put simply, financial well-being is a critical, though often under-acknowledged, component of holistic well-being.

1.85X

Those most confident in their abilities to save and spend intelligently score nearly twice as high in overall well-being.

Significance

For most Americans, however, current levels of financial wellness and fiscal well-being are concerningly far from ideal.

~65%

report feeling that their financial difficulties are piling up so high they can't overcome them.

~40%

report that they are currently taking no notable steps to secure their financial future.

>40%

of individuals wish that they could have a "fresh" financial start.

<25%

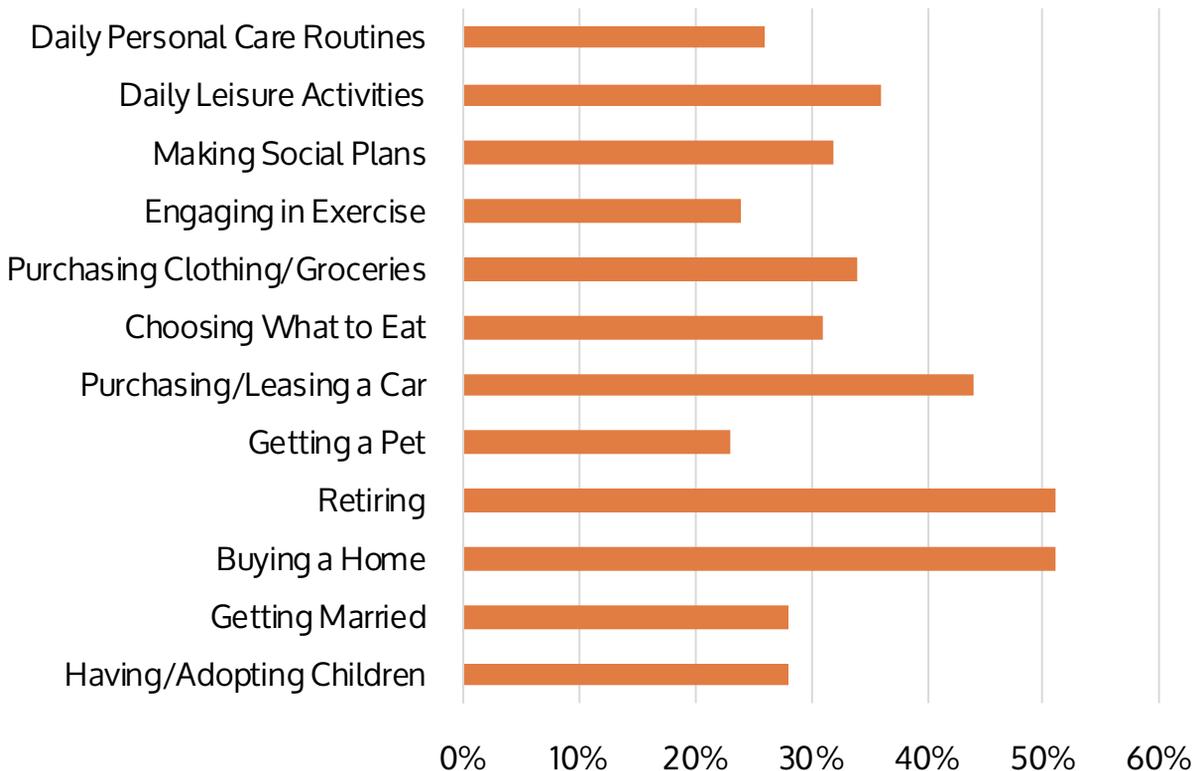
of individuals feel extremely optimistic about their financial future.

Significance

Among the myriad reasons why this is problematic is the regular influence individuals' financial circumstances have on daily life.

For instance, while broadly accepted as a critical factor in larger life decisions (e.g. getting married), our results further recognize the comparable effects and added stress individuals' financial well-being can have on everyday activities and daily decision-making (e.g. choosing what to eat or purchasing clothing/groceries).

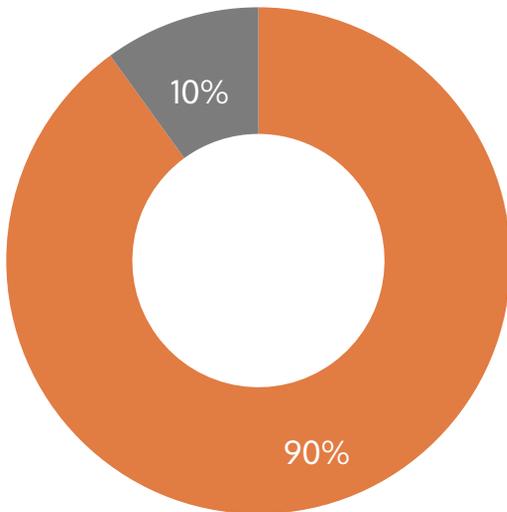
Respondents reporting that their financial situation was very or extremely influential with regards to...



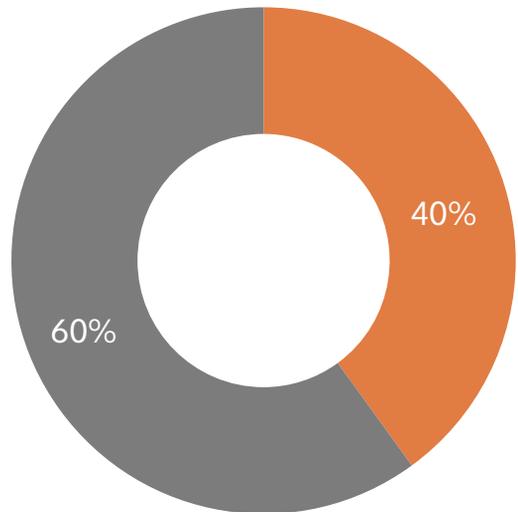
Potential Impacts on Stress and Psychological Well-Being

When unchecked, the accumulation of these seemingly “small, everyday” influences, decisions, and stressors can ladder up to far larger life moments and take significant tolls on individuals’ psychological wellbeing—particularly for those already struggling, with nearly 25% of individuals make purchases they later regret when experiencing significant stress .

Indeed, our research demonstrates how money can contribute to what has been described as the “global epidemic of the 21st Century”⁵, with nearly 90% of individuals agreeing that financial considerations negatively impact their daily stress levels. A further 40% also reported that having to manage their money on a daily basis limits the extent to which they can enjoy their day-to-day life.



■ Negatively Impacted Daily



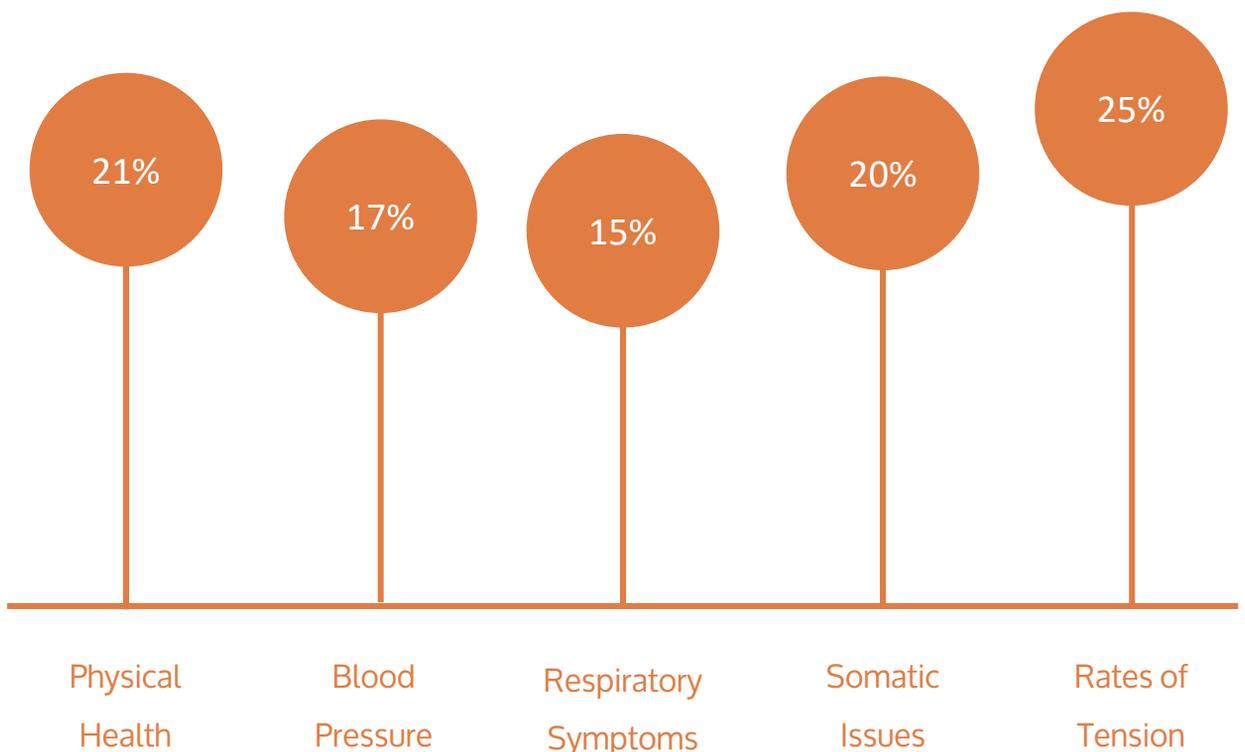
■ Enjoyment Limited Daily

Potential Impacts on Physical Health

Over time, this type of consistent stress can have serious effects on not just mood, emotional and psychological well-being, but also individuals' immune systems and overall physical health⁵.

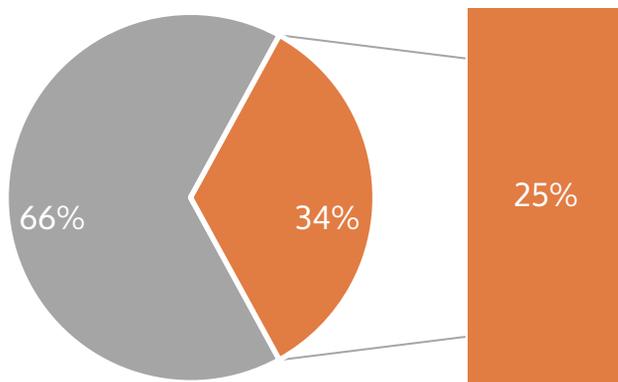
Our survey results captured these negative impacts of financial stress, not just on diet and exercise, but also with regards to rates of tension, somatic issues, respiratory symptoms, blood pressure, and overall physical health and well-being.

Percentage of Respondents Reporting Negative Finance-Related Impacts on Physical Health



Potential Impacts on Sleep

Among the most closely intertwined and impacted elements linked to stress, physical health, and holistic well-being is sleep. Vital to focus, productivity, performance, overall well-being, physiological health, and more⁶, more than a third of U.S. adults aren't getting enough sleep⁷. And our findings show that sleep-related challenges are even more pronounced among those struggling with money and their financial well-being.



More than one third of all individuals' sleep is negatively impacted by financial stress, with one quarter experiencing symptoms including nightmares, insomnia, and fatigue on waking.

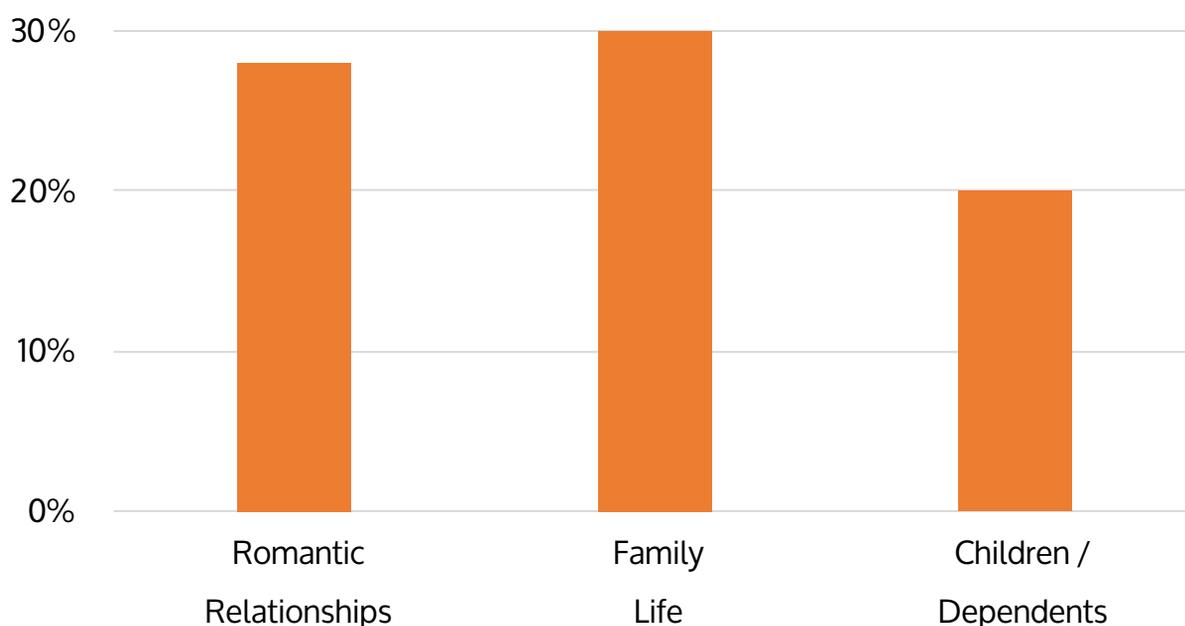
Approximately 34% of individuals experience negative impacts of financial stress on their sleep. And for nearly 25% of those individuals, this includes symptoms such as insomnia, broken sleep, fatigue on waking, nightmares, and night terrors due to their financial situation.

Potential Impacts on Close Relationships

The impacts of financial wellness aren't limited to decision-making, stress, physical health, or sleep. In fact, financial well-being, stress, and spending habits also directly affect interpersonal connections, including romantic relationships, friendships, family ties, and more.

Our research found that approximately 28% of individuals have had romantic relationships that were negatively impacted by their financial well-being and related stress. Even more individuals, approximately 30%, report that their financial well-being and related stress has negatively impacted their family life, with an additional 20% reporting that the impact extends even to their children.

Negative Finance-Related Impacts on Close Relationships



Conclusions and Top Habits for Financial Well-Being

Financial stress is very real, and it can feel overwhelming. Indeed, over 35% of individuals wish that they could have a "fresh start" with regards to their finances but have no idea where to begin.

But that doesn't need to be the case! Critically, our findings also highlight some top habits of those thriving with regards to their financial well-being. And among those key takeaways is something you're already currently doing—expanding your financial literacy and broadening your understanding of healthy money habits.



More than 7 in 10 people agree that when they spend smarter, they tend to save more. Further, more than 5 in 10 agree that these smart saving habits help them to manage their stress.

Conclusions and Top Habits for Financial Well-Being

Those doing best with regards to financial well-being also made use of their social networks for support. For example, close friends and family were among the leading sources used to learn about financial well-being, spending, and general money matters among those with best credit scores.



Moreover, 60% of individuals who had recently successfully navigated a stressful financial situation relied on and utilized family support to help manage their stress.

And reciprocally, those doing best with regards to managing their finances (both self-reported and based on credit scores) were significantly more likely to report higher satisfaction with both family and social relationships.

Microsteps for Improving Your Finances and Health

Based on this cutting-edge research and Thrive Global's groundbreaking behavior change techniques powered by Microsteps, you too can take steps today to not only maintain but improve your financial and holistic well-being.

Thrive Global's behavior change system is built on the idea of microsteps — small, actionable behaviors that individuals can take to make immediate changes in their daily life.

Grounded in and supported by decades of psychological research¹⁰, Microsteps utilize numerous social cognitive and motivational mechanisms to increase self-efficacy and promote more effective behavior change¹¹. Essentially, these Microsteps are too-small-to-fail actions that research has consistently shown make new (and existing) habits more likely to stick¹². As noted by Arianna Huffington, Thrive's Founder and CEO, "There's nothing wrong with aiming big — but we can help ourselves by starting small."

On the next page, you can find a series of new Microsteps aimed specifically at alleviating monetary challenges and improving both financial and holistic well-being. All that's left to do is select which Microstep is best for you!

Microsteps for Improving Your Finances and Health

- **The next time you think about a bill or upcoming cost, pause and write it down.**

Avoiding thoughts that stress us out makes those thoughts more powerful.

Putting them in a place you can trust (e.g. a financial journal, app, etc.) means you can revisit them when you're ready to take action.

- **Start your day with a few moments of meditation.**

For many of us, money is the #1 source of stress and anxiety. One science-backed way to reduce stress is through meditation -- even a minute of paying attention to the rise and fall of your breath will make a difference.

- **Set a clear intention for your financial life in one sentence – then write it down.**

Actually declaring this to yourself can be powerful. Commit to approaching this part of your life in a new way, based on who you are and what you value.

- **Identify someone you can talk to about your financial well-being.**

Having a sympathetic ear can help you to discuss challenges, address them more productively, and be less judgmental toward yourself.

- **Set up a recurring monthly meeting with your partner or spouse to review your finances.**

Use this time to discuss your concerns, goals and upcoming decisions.

Microsteps for Improving Your Finances and Health

- **Set calendar reminders so you can pay your bills on time and don't incur late fees.**

Use technology to set up financial well-being nudges.

- **Each day, take a sixty-second money check-in.**

Check in on your most important accounts so you can get a quick glimpse and course-correct if you spot any issues.

- **Break down a big financial goal you'd like to work toward.**

For any large goals you have, like buying a car, spend two minutes breaking it into smaller goals that you can track and work toward, such as saving a set amount from each paycheck.

- **The next time you purchase something, take a few moments to be grateful and to savor it.**

You'll cultivate a more grateful mindset that allows you to be mindful about what you purchase.

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